(Rs. Crores)

	1987	1988-89	1989-90	1990-91	1991-92
	(1)	(2)	(3)	(4)	(5)
Civil construction	18	180	88	171	233
Turnkey	144	156	253	632	464

(Source: EXIM Bank)

(b) A statement is attached. (*See* below)

(c) and (d) Lately project exports have shifted from West Asia and North Africa to South Asia, South East Asia, Africa regions and Russia.

Statement

Government has taken a number of promotional measures with a view to encourage export of projects. These include:—

(i) Grant of project assistance (CCS) to the tune of 10% of net foreign exchange earnings from the service portion of the contracts till 21.7.1991.

(ii) Market Development Assistance for reimbursement of 50% of cost of preparation and submission of bids.

(iii) EXIM Bank, in addition to suppliers' credit and buyers' credit, has also been extending lines of credit to various developing countries with a view to encourage export projects.

(iv) Exemption of Income Tax upto 50% on earnings from exporters of projects and Consultancy Services under Section 80-HHB and 80-O of Income Tax Act respectively.

(v) Import of used machinery and equipment by the project exporters has been allowed on concessional customs duty which is only 25% ad valorem.

Effect of Exchange Rate on leather Export

2656. SHRI P. UPENDRA: Will the PRIME MINISTER be pleased to state:

(a) whether the crisis in the European exchange rate mechanism has hit exports of Indian leather products;

(b) whether the exporters of leather products are incurring heavy losses as their earnings have dropped in rupee terms; and

(c) what action Government are taking to minimise the losses of the leather exporters?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED): (a) to (c) The global export of leather and leather products during October, 1992 as compared to October, 1991 show a rise of approximately 6% in Dollar terms. As such, the export of leather and leather products does not appear to have been adversely affected by the European Exchange Rate crisis. Such currency devaluation in international markets would affect the rupee realisation from the leather sector, as well as from all other sectors. However, the situation has not yet crystalised for taking any specific action by the Government.

Joint Venture Agreements finalised with Austria

2657. DR. SANJAYA SINH: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that three joint ventures and five agreements of cooperation for technology transfer betwen Austria and India have been finalised; and

(b) if so, what are the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED): (a) and (b)